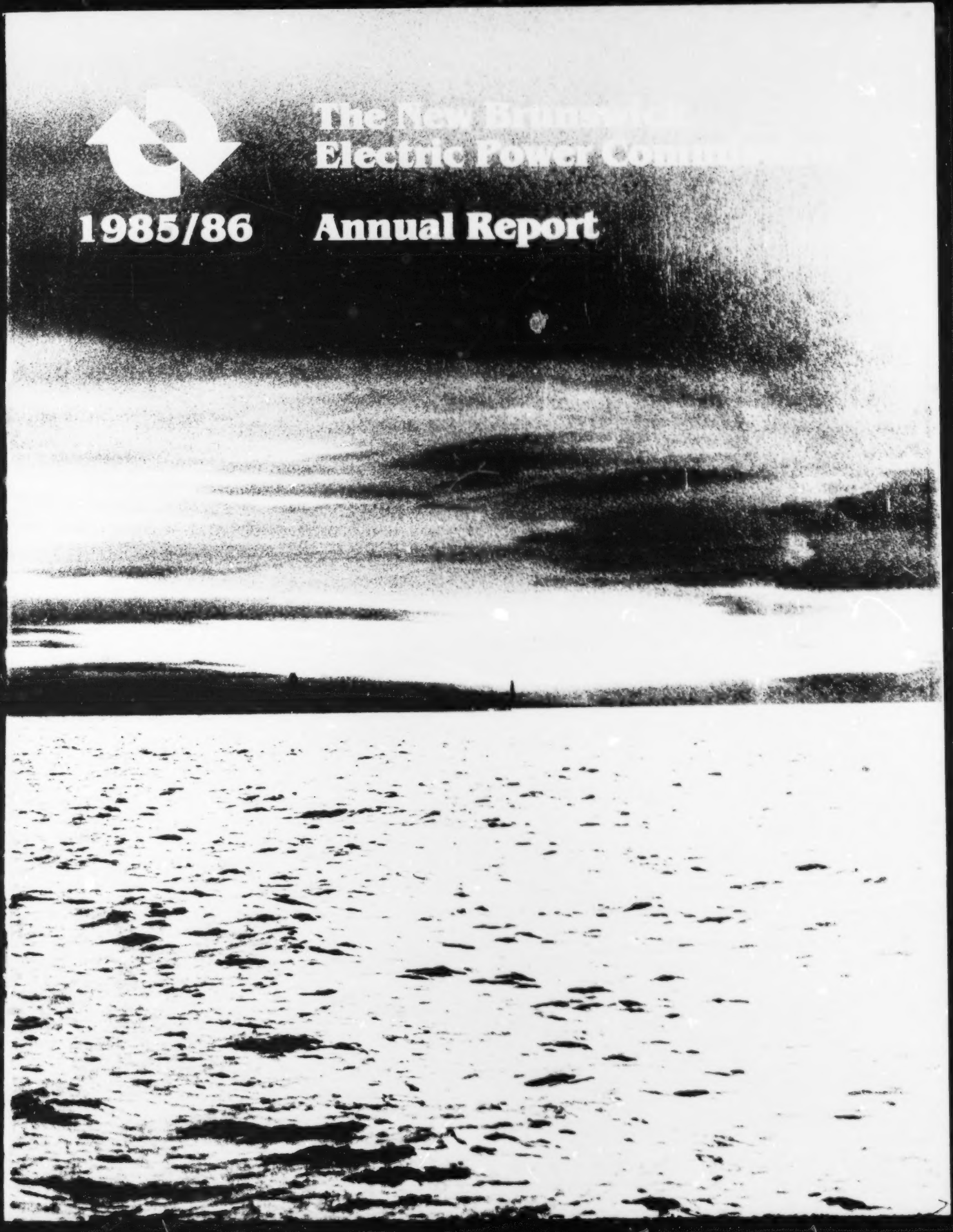
The New Brunswick
Electric Power Commission
1985/86 Annual Report

86-05999

Highlights

Total generation and purchases of energy rose by 8.8% to 18 238 million kW.h, a record for NB Power.

In province and gross peak demand also reached record levels during the fiscal year at 2 001 300 kW and 3 062 600 kW respectively.

Purchases of energy increased by 40.8% to 7 052 million kW.h as a result of a second tie with Hydro-Québec.

The Point Lepreau Generating Station achieved a capacity factor of 87.4% for the 1985 calendar year, ranking it the best performing CANDU in the world and the second best performer among all large reactors.

Interconnection sales totalled 7 231 million kW.h, a 20.6% increase over the previous year.

Total revenue amounted to $894.3 million, an increase of $60.1 million or 7.2% over fiscal year 1984/85.

Net income for the year rose to $23.9 million from $18.6 million in the previous year.

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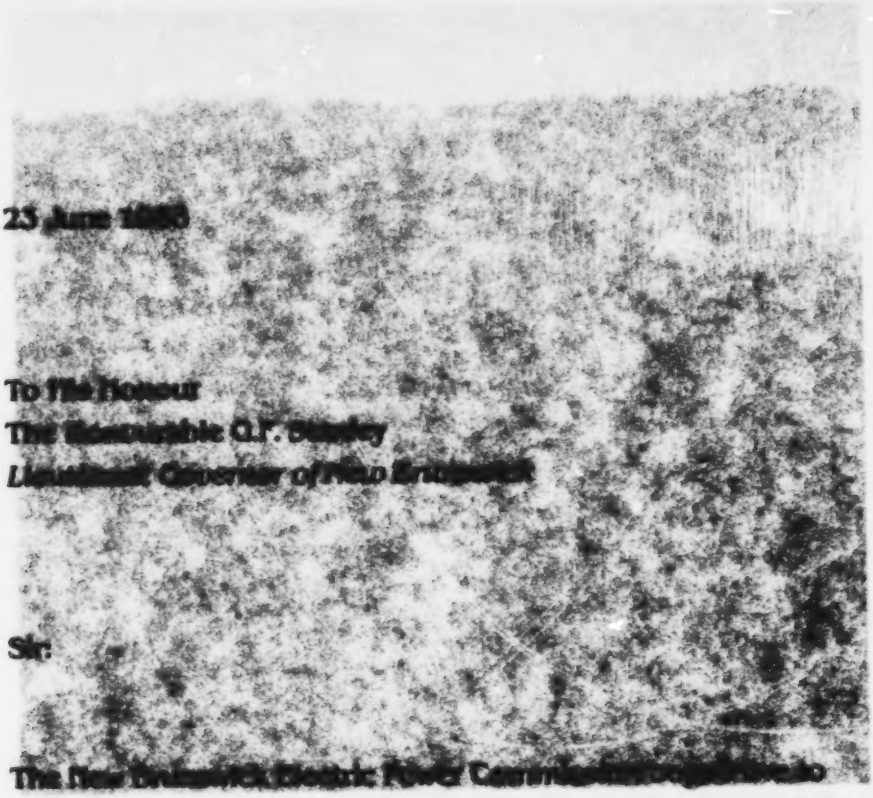
Cover

The Point Lepreau lighthouse is one of many lighthouses which guide ships up and down the Bay of Fundy. The stack of the Coleson Cove Generating Station 25 km (15 miles) further up the coast can be seen in the distance.

The lighthouse shares the point with the Point Lepreau Generating Station. The nuclear unit is just visible in the dawn light.



23 June 1986

To His Honour
The Honourable G.F. Stanley
Lieutenant Governor of New Brunswick

Sir:

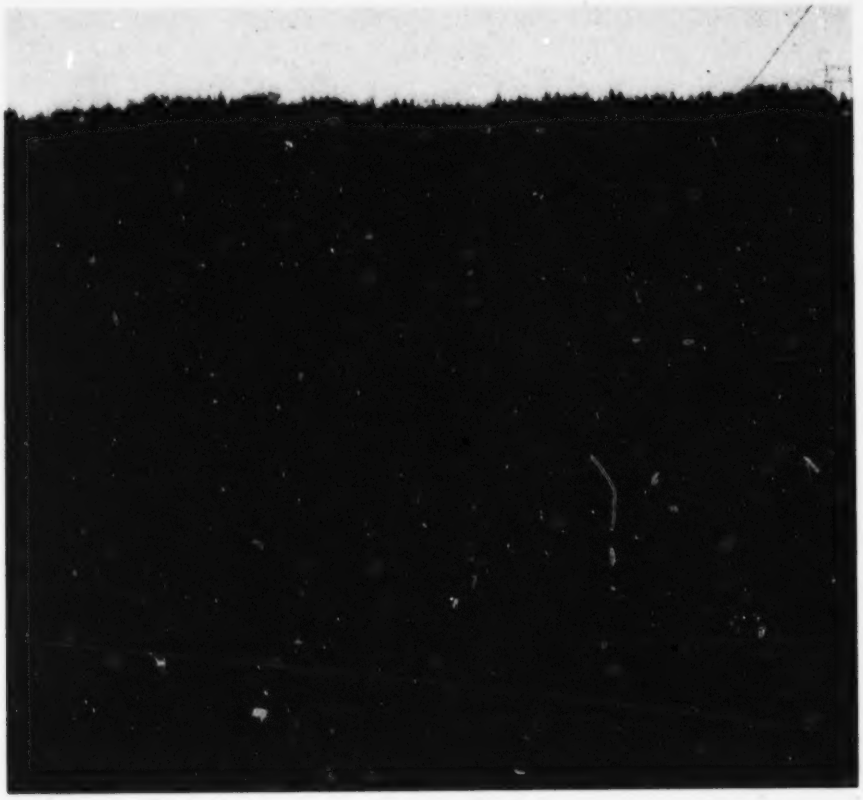
The New Brunswick Electric Power Commission has the honour to submit, in accordance with the Electric Power Act, Chapter E-5, of the revised Statutes of New Brunswick 1973, the following report for the twelve month period ended 31 March 1986.

I am, Your Honour,
Yours very truly,

Leslie I. Hull,
Chairman
The New Brunswick Electric Power Commission

3a-05999/

A 345 kV transmission line glints in the early morning sun. Increased interconnection capacity with Québec and New England resulted in significantly greater interruptible energy imports and exports during the year.



Comments

NB Power continued to record strong financial results in fiscal year 1985/86 partly because of another year's outstanding performance by the Point Lepreau Generating Station and particularly because of the continuing benefits from the interconnection system. Declining oil prices, late in the period, resulted in a major drop in purchased power prices. This was largely offset, however, by the higher costs associated with the falling value of the Canadian dollar and the expiration of a major firm export sale contract.

The Point Lepreau nuclear unit achieved a capacity factor of 97.4% for the 1985 calendar year ranking it the best CANDU in the world and the second best among all reactors 500 000 kW and larger. Nuclear generation contributed one third of total in-province supply, exceeding the combined contribution of conventional thermal and hydro production on the NB Power system.

Increased interconnection capacity, made possible by a second tie with Hydro-Québec completed during the fiscal year and by upgrading the tie with New England, resulted in higher energy volumes and greater net benefits from interruptible imports and exports even though lower oil prices later in the year had a dampening effect on the dollar value of the transactions.

Total in-province and interconnection energy sales increased by 9.6% during the year. Growth in-province would have been considerably higher had a major industrial customer not experienced an extended strike-related shutdown. New customers and a large number of space heating conversions resulted in 9.9% growth in the residential sector.

Work on the circulating fluidized bed demonstration project at the Chatham Generating Station proceeded on schedule during the year and testing is expected to start in the autumn of 1986. It is hoped that circulating fluidized bed technology will provide NB Power with the potential to build much larger generating units capable of burning indigenous New Brunswick fuels, particularly high-sulphur coal, in an economical and environmentally acceptable manner.

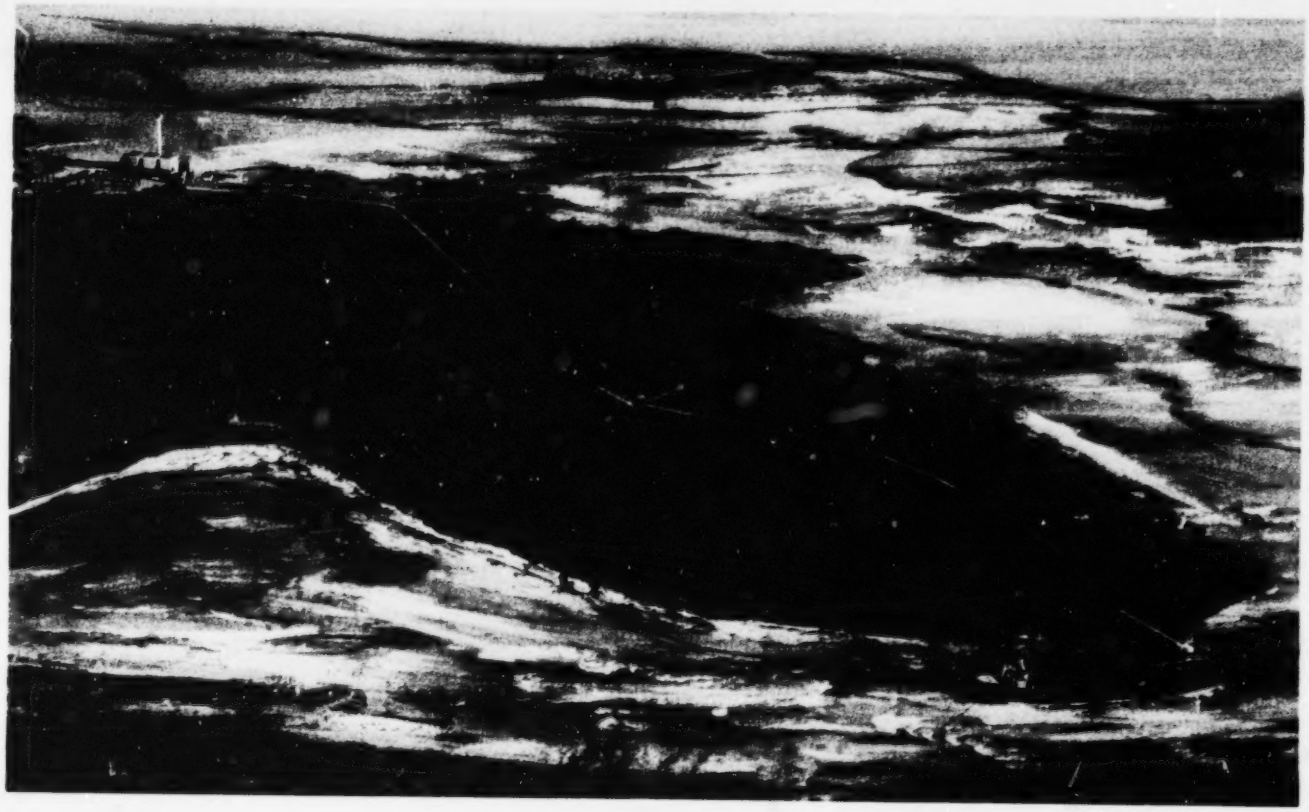
NB Power is in the process of planning for a new phase of energy development. Studies continued during the year on the feasibility of modifying oil-fired plant to burn coal. NB Power's oil-fired generating stations are strategically located on coastal waters with year-round access. This allows considerable flexibility in the choice of fuel supplies from other parts of Canada and around the world.

Additional generating capacity will be needed for in-province use by the mid-1990's. While coal-fired generating facilities are likely to fulfil the primary role in this next phase of development, NB Power will continue to examine the option of purchasing capacity and assured energy from neighbouring systems. In conjunction with planning for new generating plant, NB Power will be striving to enlarge the sale of firm energy packages in the export market and to further increase transmission capability to that market.

The Commission, its management and staff share in the dedication to continue to provide the lowest cost electric service possible for New Brunswick customers and to use the opportunities provided by the operation and development of the NB Power system to enhance the economic future of the province.

Leslie I. Hull
Chairman

Arthur J. O'Connor
President and General Manager



An artist's impression of the Coleson Cove Generating Station on the Bay of Fundy converted to coal. This plant is being studied for a unit-by-unit conversion at the earliest appropriate date.

Operations

Electrical energy sales to NB Power's in-province customers increased by 2.3% over the previous year. Energy sales to residential customers were up by 9.9% reflecting over 4 742 new customers and 7 655 oil-to-electric space heating conversions. Sales increased by 7.9% for wholesale customers and by 5.4% for general service customers. Industrial sales, however, declined by 4.4% due mainly to an extended strike affecting a major customer and market-related shutdowns in the pulp and paper industry. Without these losses industrial sales would have been up 5.4% pushing the total in-province energy sales 6.8% higher than the previous year's. On 31 March 1986 NB Power was serving 284 278 customers including 38 169 indirect customers. In-province energy loads for the year were supplied as follows: 35.1% by purchased power as a replacement for coal and oil generation; 33.2% by nuclear; 21.5% by hydro; 8.2% by oil and 2% by coal.

A record peak demand of 2 001 300 kW by in-province customers occurred on 15 January 1986 and was 9.1% higher than the previous record set in fiscal year 1984/85. A new gross peak demand of 3 062 600 kW which includes exports was reached on 20 December 1985 representing a 7.9% increase over the previous year.

Interconnection sales totalled 7 231 million kW.h, a 20.6% increase from the previous year. Firm sales from the Point Lepreau nuclear station surpassed the high 1984/85 levels due to Lepreau's continued exceptional performance. Firm sales from the Coleson Cove oil-fired station were lower than in 1984/85 due to the expiration on 31 October 1985 of a contract with the Maine Electric Power Company.

A cargo ship takes on Canadian coal for delivery to Sweden. Colliers of this draft and tonnage could be used to bring coal for Coleson Cove to the proposed new coal-handling wharf at Musquash Harbour.

A significant increase in economy sales resulted mainly from additional interconnection capability with Hydro-Québec and an increase of 100 000 kW of interconnection capability with New England. In addition to bringing greater net benefits from interruptible imports and exports, the additions to the grid provided a more reliable system and lower costs for NB Power by reducing transmission system losses.

In February 1985 the National Energy Board ordered NB Power to offer Canadian utilities energy at a price no higher than the price offered to United States utilities. The decision was subsequently appealed to the Federal Court of Appeal but was dismissed. Leave to appeal the decision to the Supreme Court of Canada was not granted.

On 1 November 1985 the Maritime Electric Company Limited of Prince Edward Island entered into a Power Purchase Agreement with NB Power for the purchase of 20 000 kW of power and associated energy. The price for this energy is equivalent to the price paid by Central Maine Power for energy purchased under a similar agreement.

To meet increased in-province requirements and interconnection sales, total generation and purchases of energy from all sources rose to 18 238 million kW.h, an increase of 8.8% from the previous year and a record for NB Power. Purchases of energy accounted for 7 052 million kW.h, an increase of 40.8% over last year. Hydro-Québec was the major supplier with the balance coming from other interconnected utilities and some in-province producers. Nuclear generation was 5 765 million kW.h, representing a Point Lepreau fiscal year capacity factor of 96.8% compared with 89.9% in fiscal year 84/85. Hydro energy production at 2 333 million kW.h was approximately 12% lower than the long term average. Thermal generation was 3 088 million kW.h, a decrease of 18% from last year reflecting the increased purchase of replacement energy from Hydro-Québec.

Important advances using computer technology were made in the areas of customer information and meter reading as well as in the areas of inventory control, management information systems and computer aided design. These and other technological improvements are reducing costs, providing customers with better service and are generating valuable management information.

During the year, a corporate policy on official languages was approved. This policy will ensure that NB Power will continue to meet the linguistic needs of both customers and employees. Efforts were also directed at raising the level of safety awareness in the public through media advertisements and public programs.

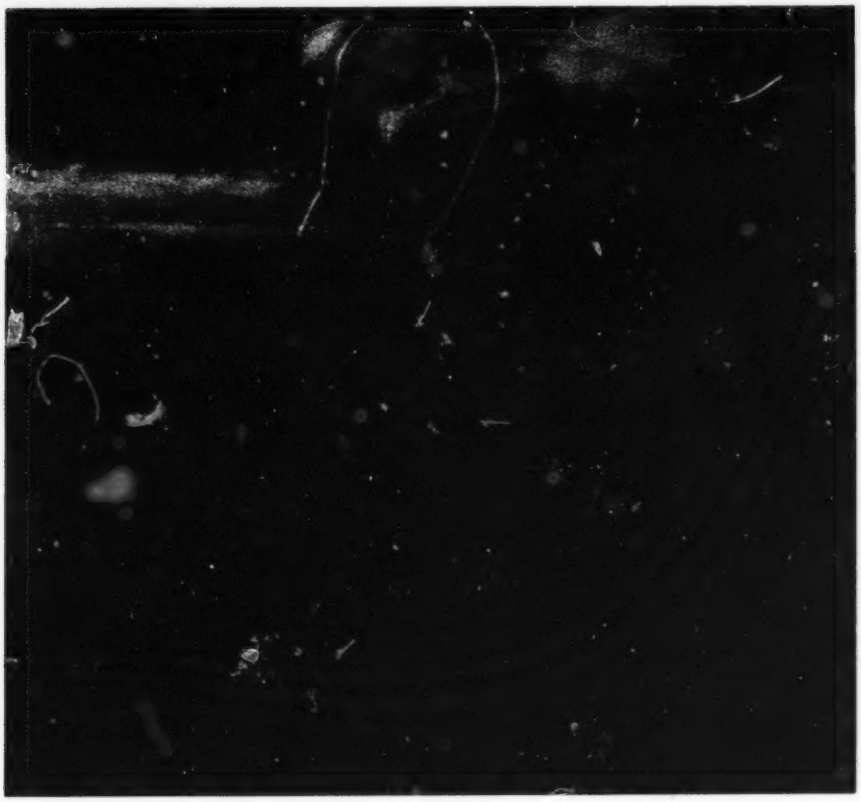
Two tugs gently nudge the M.T. Puerto Rico into her berth at the Irving Oil Limited Courtenay Bay terminal, Saint John. The tanker carries a load of Venezuelan No. 6 fuel oil destined for the Coleson Cove and Courtenay Bay plants. The towering stacks of the Courtenay Bay Generating Station are visible in the background.

Recognizing that physical fitness and well-being are closely linked to the health of men and women and their productivity in the work place, the company participated in an employee fitness pilot project with the Université de Moncton. The pilot program was successful and NB Power has awarded the university a grant over the next five years to study the relationship between productivity and fitness.

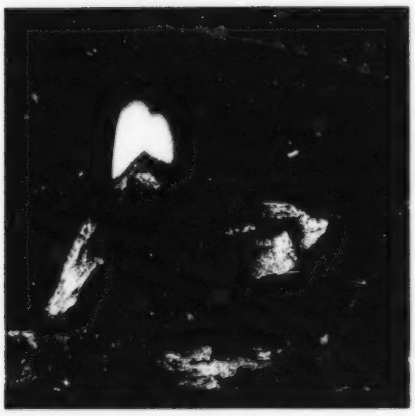
NB Power continued its close involvement with the academic and research community in Fredericton. In 1984 the utility contributed half the funding necessary to establish a Chair in Nuclear Engineering at the University of New Brunswick. This year the company expanded its engineering support of the university by awarding a five year grant towards establishing a Chair in Power Plant Engineering, the first of its kind in Canada.

NB Power trained 25 young people in a federally-funded program called the Youth Training Option. The objective was to assist young people between 17 and 21 years of age to acquire important skills to help bridge the gap between school and work. Although the company had no obligation at the beginning of the program it hired 16 out of the original 25 participants. A second program started in February 1986.

NB Power's new Head Office building, completed in 1983, was financed and constructed by a major Canadian chartered bank. At the end of the fiscal year, NB Power exercised its right to purchase the building from the bank at its original cost in order to effect substantial savings in the cost of occupancy. The building's interior is an open office landscaping design which offers great flexibility in meeting changing organizational requirements.



Aerial view of the beautiful but rugged Albert County countryside. Oil shale from Albert County will be tested as a sorbent in the circulating fluidized bed boiler at the Chatham Generating Station. Just visible in the cleared area in the centre of the photograph are the preliminary trenches for the new oil shale mine which is being developed by Canadian Occidental Petroleum Ltd.



Burning oil shale

Finance

Total revenue amounted to $894.3 million, an increase of $60.1 million or 7.2% from the previous year. In-province revenue increased $40.3 million to $524.8 million due to a 2.3% rise in energy sales and a 4.9% average rate increase at the beginning of the period. Interconnection revenues rose $19.8 million to $369.5 million due largely to a 20.6% increase in energy sales volumes to a new record level of 7 231 million kW.h.

The total cost of fuel and purchased power increased by $1.5 million, or 0.4%, to $349.3 million. This increase in the cost to supply energy sales was held down by a 40.8% increase in power purchases due mainly to the second Hydro-Québec interconnection and due to the extremely high 96.8% capacity factor of the Point Lepreau nuclear unit during the period. Lower oil prices late in the fiscal year were also a contributing factor. Operations, maintenance and general expenses increased $20.6 million to $176.6 million and depreciation expense increased $3.8 million to $75.6 million. Net financial expenses increased $25.0 million to $267.3 million due primarily to the weakness of the Canadian dollar.

Point Lepreau's exceptional performance offset the effects of below average water flows and resulted in an addition of $9.7 million to the Generation Equalization Reserve and a corresponding charge against net income.

Earnings from economy sales to neighbouring utilities while up considerably over last year were $2.5 million below forecast levels. This amount plus scheduled payback from higher than forecast earnings of previous years resulted in a total transfer from the Economy Sales Stabilization Account to income during the year of $8.1 million.

Net income for the year rose to $23.9 million from $18.6 million in the previous year. Earnings invested in the Business increased to $128.0 million with the adoption of the accrual method of revenue accounting and after an appropriation of $10.0 million to the Generation Equalization Reserve. Appropriations are made to ensure that the reserve is sufficient to cover the cost of replacement power in the event of unfavourable water flow conditions and below average nuclear unit operating performance for an extended period. Accumulated appropriations to the reserve now amount to $135.0 million.

Total capital expenditures declined to $60.5 million from $86.2 million in the prior year. To provide funds to repay maturing indebtedness and for the capital construction program, the following borrowing was completed: $75 million 12½% 20-year sinking fund debentures dated May 1, 1985 issued publicly in Canada.

The Chatham Generating Station. The dark building in front of the red and white station stack has been especially constructed to house the new circulating fluidized bed boiler. Testing, using New Brunswick coal and oil shale, is scheduled to start in the fall of 1986.

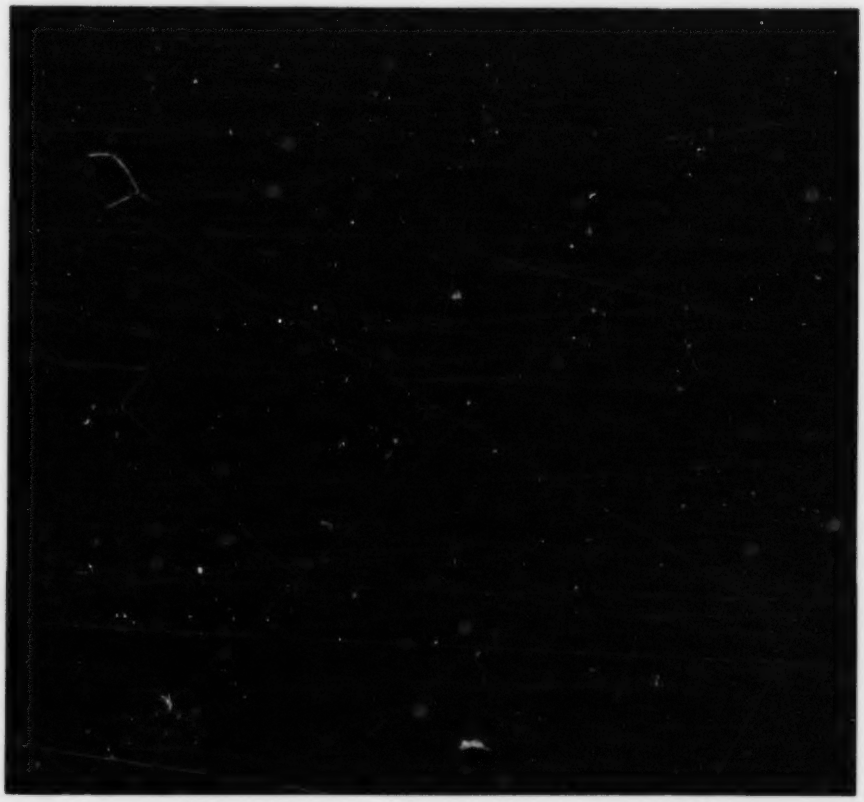
Directions

At the forecast average growth rate of 3% per year to the year 2000, NB Power has sufficient generation installed to meet its in-province requirements to the mid-1990's. However, it takes several years to design, build and commission new plant, so new generating facilities for the next decade and beyond must be planned now.

The current volatile oil market is adding a new dimension to planning. It is expected that in the long term oil prices will rise again, making continued dependence on oil alone at existing or new thermal plants contrary to the best interests of New Brunswick electricity consumers.

Conversion of existing oil-fired thermal generating units so that they can burn coal as well as oil has been a primary mechanism for reducing oil dependency for electric utilities. Until recently the price of coal has been more stable and cheaper than the price of oil. NB Power has investigated and is continuing to prepare for conversion of the 1 005 000 kW Coleson Cove Generating Station at the earliest appropriate date. The current low price of oil may dictate a unit-by-unit approach at the three-unit facility once a decision to proceed is made. The plant's location on the coast means that coal could be brought in economically from anywhere in the world with the development of a new port at adjacent Musquash Harbour.

NB Power has under consideration a new thermal plant as a major component of its generation planning. The plant would be in the 300 000 to 500 000 kW range and would be designed so that it could fire both coal and oil. It would be situated on the coast for ease of access to world fuel supplies. Existing plant sites in both the north and the south of the province are possible locations.



The huge 50m³ dragline "Maid Marion" working at dusk in the Minto coalfield. During the fiscal year NB Power assumed ownership of NB Coal.

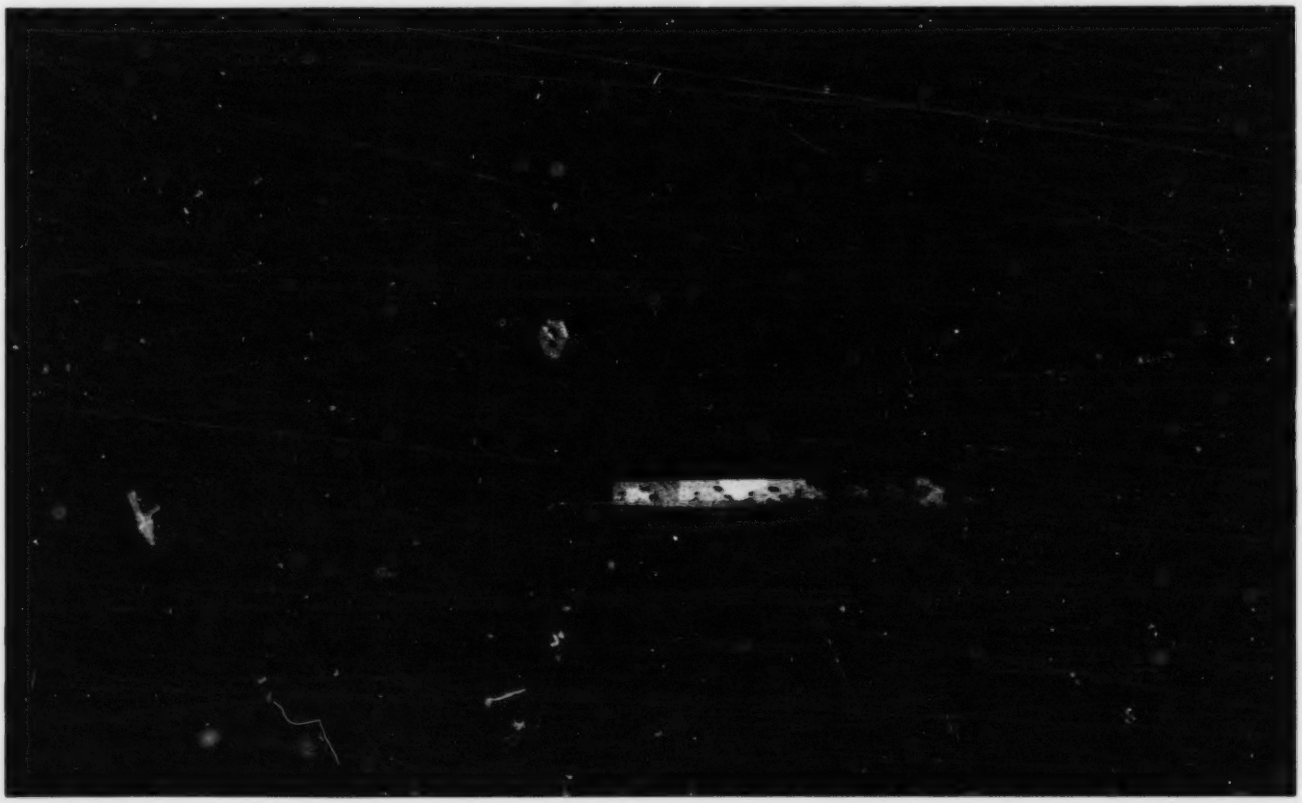
New capacity of this order would need to be online by the mid-1990's for domestic use but could be commissioned earlier if export markets become available and if other conditions are favourable.

A commercial-sized circulating fluidized bed plant is also a consideration for the future. During the year, NB Power assumed ownership of NB Coal. Coal mined in New Brunswick has a high sulphur content and fluidized bed combustion is seen as important for the long term viability of the provincial coal industry. There are, however, technological and economic uncertainties that are currently being addressed. In this regard a demonstration circulating fluidized bed boiler, which will feed an existing 22 000 kW turbine generator, is under construction at the Chatham Generating Station. Construction is expected to be completed by autumn 1986 at which time research and development will begin. The first fuels to be tested will be New Brunswick coal and oil shale. The oil shale contains limestone to absorb the sulphur oxides. Later on the facility will be available to test a variety of low grade fuels including coal wash plant tailings from Nova Scotia and Western Canadian petroleum coke.

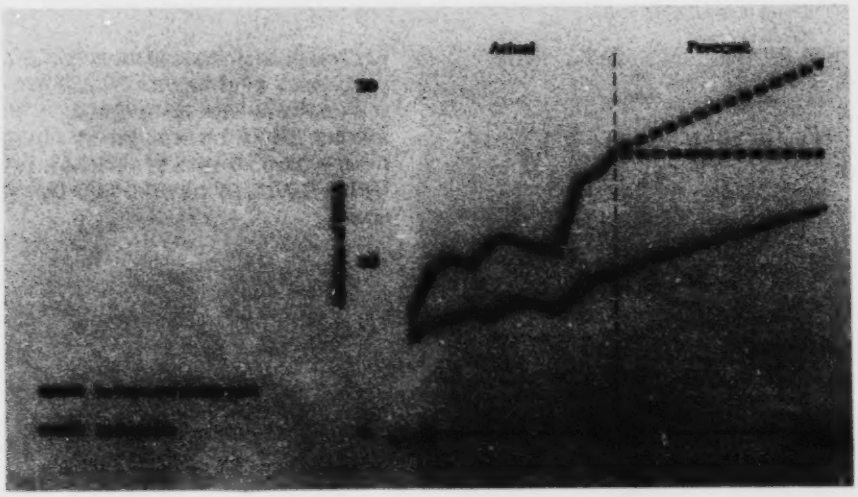
The development of inter-connections with larger utilities has allowed NB Power to benefit from economies of scale by building larger power plants than normal for a system of its size. The interconnections also give NB Power access to large amounts of imported energy. The benefits to in-province customers derived from the purchase and sale of large amounts of energy over these interconnections results in rates 15-20% lower than would otherwise be possible. The maintenance of these benefits in the future is a clear priority.

NB Power will continue to purchase imported energy whenever it offers an economic advantage. Discussions with Hydro-Québec are continuing in this regard. NB Power has also discussed the possible purchase of nuclear energy at the utility's long-term replacement cost should the federal government decide to build and own a nuclear unit in New Brunswick in the future.

Construction of an extension to the Energy Control Centre at Marysville will start in the summer of 1986. When completed, the new complex will consolidate the existing Energy Control Centre and the Distribution Dispatch Centre, currently operating out of two separate locations. Enhancements to the operating facilities will result in overall reliability and security improvements for both the transmission and the distribution systems.

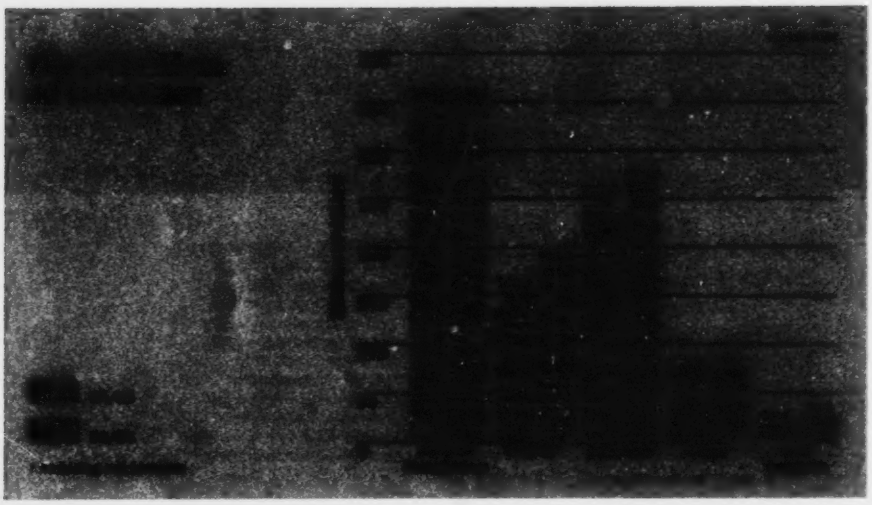


Construction will begin in the summer of 1986 on an extension to the existing Energy Control Centre. The new complex will incorporate the most up-to-date operating systems to control the supply, transmission and distribution of power to provincial and interconnected customers.

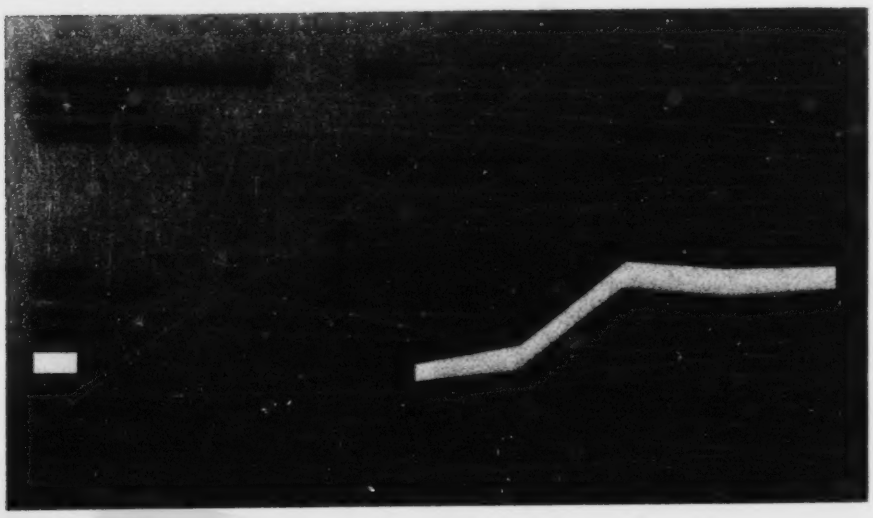


In addition to meeting forecast in-province sales, NB Power will be striving to increase the sale of electricity in the export market for the benefit of its in-province customers.

In-province revenue rose by $40.3 million and interconnection revenue by $19.8 million bringing total revenue to $894.3 million for the year.

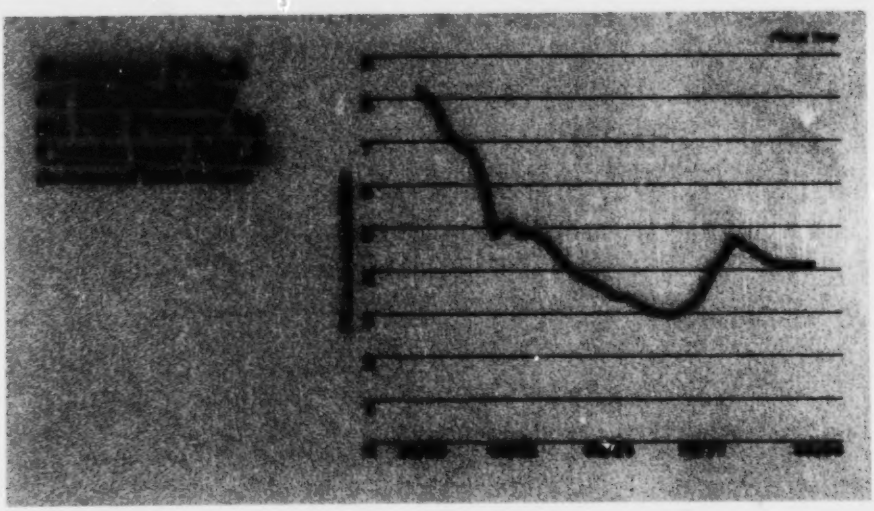


Outstanding performance by the nuclear plant and continuing benefits from the interconnection system were mainly responsible for continued strong financial results. The effect of declining oil prices was largely offset by the falling value of the Canadian dollar.

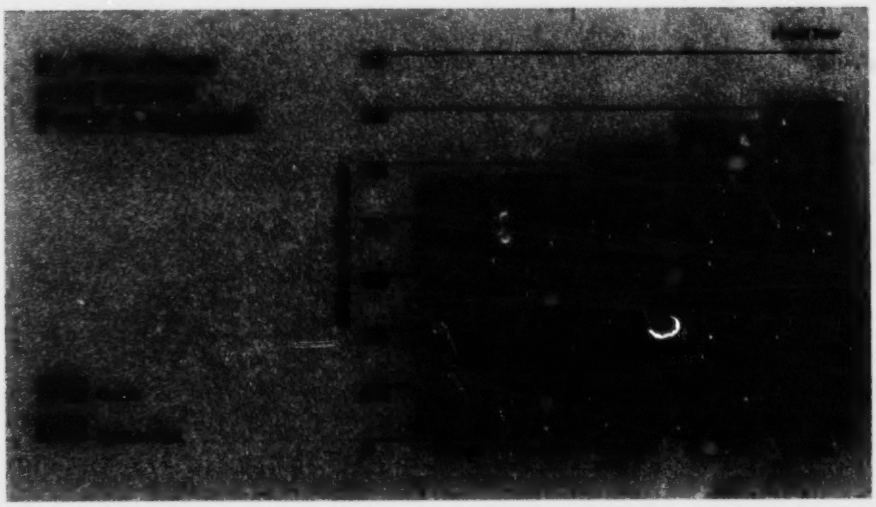


Record gross generation and purchases of energy of 18 238 million kW.h were supplied as follows: 38.7% by purchased power; 31.6% by nuclear; 12.8% by hydro; 10.1% by oil and 6.8% by coal.

Electricity price increases in New Brunswick have been below the rate of inflation in the 1980's.



Record peak demands of 2 001 300 kW by in-province customers and 3 062 600 kW including exports were recorded during the year.



Purchases increased 40.8% and interconnection sales by 20.6% during the year as a result of increased interconnection capacity with Hydro-Quebec and New England.

Corporate Information

Commission

Leslie I. Hull,
Chairman

Louis E. Landry,
Vice-Chairman

Donna K. Young

Peter J. Dykeman, Q.C.

Eric C. Garland

William K. Cleghorn

Jean C. Chiasson

Gaétan Bossé

Harry Williston

George W. Sparks

Managing Officers

Arthur J. O'Connor,
President and
General Manager

Frank C. MacLoon,
Vice-President
Engineering and Operations

Richard A. Toner,
Vice-President
Administration

G. Linwood Titus,
Vice-President
Planning and Development

Kenneth B. Little,
Director of Finance and
Treasurer

Terrence S. Thompson,
Director, Public Affairs
and Marketing

Frank H. Ryder,
Director,
Corporate Economic Studies

Leslie I. Hull

Louis E. Landry

Donna K. Young

Peter J. Dykeman

Eric C. Garland

William K. Cleghorn

Jean C. Chiasson

Gaétan Bossé

Harry Williston

George W. Sparks

Financial Statements

Balance Sheet

as at 31 March 1986

Assets

	1986	1985 (Restated) (Note 4)
Fixed assets		
Land, buildings, plant and equipment, at cost, less accumulated depreciation, and construction-in-progress (Note 2)	**$2,352,678,398**	$2,372,897,446
Current assets		
Cash and short-term investments	**17,868,928**	4,584,810
Accounts receivable (Note 3)	**124,580,634**	104,626,570
Material, supplies and fuel, at cost	**67,069,700**	78,457,920
Prepaid expenses	**2,588,358**	2,440,333
	212,107,620	190,109,633
Deferred charges		
Unrealized foreign exchange differences, less amounts amortized (Note 4)	**217,318,551**	181,329,443
Nuclear unit decommissioning	**57,816,636**	68,100,000
Debenture and note discount and issue expenses, less amounts amortized	**19,595,802**	20,984,635
Economy sales stabilization account (Note 5)	**1,911,650**	–
Other deferred charges	**1,325,852**	781,995
	297,968,491	271,196,073
Funds held for specified purposes		
Insurance fund	**7,648,108**	7,731,429
	$2,870,402,617	$2,841,934,581

On behalf of The New Brunswick Electric Power Commission

Leslie I. Hull, Chairman

Louis E. Landry, Vice-Chairman

Liabilities

	1986	1985
		(Restated) (Note 4)
Long-term debt (Note 6)		
Guaranteed by the Province of New Brunswick		
Debentures and notes issued by the Commission	**$1,837,491,444**	$1,841,291,908
Note payable to Atomic Energy of Canada Limited	**342,200,680**	346,280,839
Loans from Northern Canada Power Commission	**43,708,603**	45,438,165
Other long-term debt	**7,043,701**	7,190,932
Obligation under capital lease	**–**	11,259,385
	2,230,444,428	2,251,461,229
Less payments due within one year	**67,812,443**	123,507,825
	2,162,631,985	2,127,953,404
Current liabilities		
Short-term indebtedness (Note 7)	**23,051,923**	11,198,281
Accounts payable and accruals	**56,678,269**	70,685,019
Accrued interest on debentures and notes issued by the Commission	**103,153,235**	100,743,559
Current portion of long-term debt	**67,812,443**	123,507,825
Holdbacks on contracts in progress	**3,414,675**	1,713,347
Service deposits	**1,242,419**	1,150,934
	255,352,964	308,998,965
Deferred liabilities		
Economy sales stabilization account (Note 5)	**–**	6,204,545
Irradiated fuel management and nuclear unit decommissioning (Note 8)	**87,503,826**	86,996,886
	87,503,826	93,201,431
Reserves (Note 9)	**236,900,974**	217,209,974
Earnings invested in the business	**128,012,868**	94,570,807
	$2,870,402,617	$2,841,934,581

Statement of Income

For The Year Ended 31 March 1986

	1986	1985
Revenue		
Sales of power (Note 10)	**$878,248,028**	$818,243,480
Sales of steam	**8,054,182**	8,109,478
Miscellaneous	**8,047,473**	7,854,305
	894,349,683	834,207,263
Expenditure		
Purchased power	**193,264,439**	169,281,887
Generated power		
Fuel	**155,980,954**	178,508,647
Other	**85,850,334**	80,496,635
Operations, maintenance, administration and general	**90,787,070**	75,529,759
Depreciation	**75,629,440**	71,812,224
	601,512,237	575,629,152
Income before interest and exchange	**292,837,446**	258,578,111
Interest and exchange	**270,206,778**	258,998,214
Amortization of debenture discount and expense	**2,722,535**	3,115,186
Amortization of unrealized foreign exchange	**30,466,774**	16,869,257
	303,396,087	278,982,657
Less		
Income from sinking funds and other investments	**33,394,841**	32,907,192
Interest capitalized	**2,666,599**	3,697,825
	36,061,440	36,605,017
	267,334,647	242,377,640
Net operating income for the year before the following items	**25,502,799**	16,200,471
Generation equalization adjustment	**(9,691,000)**	(18,759,000)
Transfer from economy sales stabilization account (Note 5)	**8,116,195**	21,165,455
	(1,574,805)	2,406,455
Net income for the year	**$ 23,927,994**	$ 18,606,926

Statement of Earnings Invested in The Business

For The Year Ended 31 March 1986

	1986	1985
Balance at beginning of year	**$ 94,570,807**	$ 88,963,881
Adjustment for accounting policy change (Note 3)	**19,514,067**	–
Net income for the year	**23,927,994**	18,606,926
	138,012,868	107,570,807
Appropriation to generation equalization reserve	**10,000,000**	13,000,000
Balance at end of year	**$128,012,868**	$ 94,570,807

Statement of Changes in Cash Position

For The Year Ended 31 March 1986

	1986	1985
Operating activities		
Net income for the year	**$ 23,927,994**	$ 18,606,926
Amounts charged or credited to operations not requiring a current cash payment	**122,817,159**	97,185,591
Cash earned from operating activities	**146,745,153**	**115,792,517**
Financing activities		
Debt retirements and sinking fund payments	**(162,389,362)**	(152,067,796)
Long-term debt obligations acquired	**73,666,297**	98,227,649
Cash provided by (used in) financing activities	**(88,723,065)**	(53,840,147)
Investment activities		
Expenditure on fixed assets	**(60,522,292)**	(86,178,857)
Decrease (increase) in deferred charges	**(917,925)**	79,118
Amounts financed by customer contributions and proceeds on disposal of fixed assets	**3,852,668**	2,933,330
Cash provided by (used in) investment activities	**(57,587,549)**	(83,166,409)
Net change in non-cash working capital balances	**995,937**	(3,480,147)
Net increase (decrease) in cash during the year	**1,430,476**	(24,694,186)
Cash position at beginning of the year	**(6,613,471)**	18,080,715
Cash position at end of the year	**$ (5,182,995)**	$ (6,613,471)
Represented by		
Cash and short-term investments	**$ 17,868,928**	$ 4,584,810
Short-term indebtedness	**(23,051,923)**	(11,198,281)
	$ (5,182,995)	$ (6,613,471)

Notes to Financial Statements

31 March 1986

1. Summary of significant accounting policies

The financial statements, which have been prepared in conformity with generally accepted accounting principles as established in Canada, give effect to the Commission's mandate to set power rates.

a. Fixed asset additions and retirements

The cost of additions to fixed assets is the original cost of contracted services, direct labour and material, interest on funds used during construction and indirect charges for administration and other expenses, less credits for the value of power generated during commissioning. Administration and other expenses are capitalized during construction by applying a portion of such overheads to direct construction costs incurred each month.

Interest during construction is capitalized monthly based on the cost of long-term borrowings.

Contributions in aid of construction include amounts received from customers as well as government grants in respect of new facilities and are netted against the cost of plant financed thereby. Amounts received from customers are being amortized over the estimated service lives of the related assets, and the resulting credit is offset against the corresponding provision for depreciation.

Depreciation is provided for all assets sufficient to amortize the cost of such assets, less estimated salvage value where applicable, over their estimated service lives. The nuclear generating station is depreciated using an escalating charge method with annual increases based upon a 3% factor. All other assets are depreciated on a straight-line basis. Depreciation is provided on the net cost of fixed assets in respect of which government grants have been provided. The estimated service lives of the main categories of fixed assets, which are reviewed periodically, are currently as follows:

Assets	*Years*
Hydro Generating Stations	68
Thermal Generating Stations	30
Nuclear Generating Station	30
Gas Turbine Generating Station	25
Diesel Generating Station	20
Terminals and Substations	30
Transmission System	40
Distribution System	28
Buildings – General	40
– Head Office	50

b. Inventories

Inventories of materials and supplies are valued at average cost. Fuel is valued at cost using the first-in, first-out method.

c. Debenture and note discount and premiums, and issue expenses

The Commission amortizes debenture and note discounts or premiums and the expenses of issues over the lives of the issues to which they pertain.

d. Other deferred charges

Survey and engineering expenses relating to construction projects being considered are deferred until a project is authorized for construction by the Commission. Such costs together with certain training costs are then amortized against future income either directly or by annual depreciation charges resulting from certain of the items being capitalized. If a project is discontinued, all applicable costs are charged to income in that year.

e. Foreign exchange transactions

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at rates of exchange prevailing at the balance sheet date except where such items have been hedged by the acquisition of a forward exchange contract, in which case the rate established by the terms of the contract is used in the translation. Unrealized losses or gains arising on translation of long-term items are amortized to income on a straight-line basis over the remaining life of the related monetary assets or liabilities, except that amounts

associated with the financing of major construction projects still in progress are deferred until the project is completed before being amortized over the then remaining life of the related monetary liabilities. The unamortized balance of the deferred exchange gains or losses are accumulated in an unrealized foreign exchange account which is shown on the balance sheet under deferred charges.

Exchange gains or losses resulting from transactions affecting current operations are reflected in income as realized.

f. Revenue
Billings to residential and general service customers are rendered monthly on a cyclical basis. All other customers are billed at the end of each month. Revenue in respect of items not billed at the end of a fiscal period is accrued in the accounts with effect from 1 April 1985. (See Note 3)

g. Deferred costs or revenues
The Commission's power rates are established annually to recover its operating costs and a return on its investment consistent with prudent financial management. Each year certain factors, relating to water flow conditions, nuclear operating performance and economy sales transactions, which are largely outside the control of the Commission, may result in costs or revenues which vary from those originally included in the calculation of revenue requirements. The Commission accounts for such variations through a Generation Equalization Adjustment and an Economy Sales Stabilization Account.

Generation Equalization Adjustment

In order to equalize the fluctuations in generating costs caused by variations from average water flow conditions and nuclear operating performance, the Commission annually charges or credits income with an amount calculated to adjust such costs to an average value. The offsetting debit or credit is included in the generation equalization reserve account. The calculation of the adjustment is based on historical water flow data compiled over a period of 35 years and on the performance expectations of the nuclear generating station developed from comparable industry statistics and the operating experience of the nuclear unit itself.

Economy Sales Stabilization Account

The Commission annually charges or credits income with the difference between actual and forecast earnings on economy sales transactions with neighbouring utilities. The offsetting debit or credit is included in the Economy Sales Stabilization Account. Amounts so deferred are brought into the calculation of future revenue requirements in equal amounts over a period of three years and are amortized to the income statement on this basis.

h. Irradiated fuel management and nuclear unit decommissioning
In order to provide for the estimated future costs of permanently disposing of irradiated nuclear fuel and decommissioning the nuclear generating station to return the site to a state of unrestricted use, the Commission annually charges income with amounts calculated to be adequate, when accumulated with interest, to cover the total costs of these future activities as they occur. The calculations of the anticipated future costs are based on a detailed study which takes into account various assumptions regarding the method and timing of dismantlement of the nuclear facility, the cost of transportation of nuclear material to permanent disposal facilities, and estimates of interest and inflation rates in the future. With respect to irradiated nuclear fuel, the annual charge is related to the amount of nuclear fuel consumed while the decommissioning requirements are on the basis of equal annual amounts over the life of the unit.

The Commission is accounting for these transactions through means of deferred asset and deferred liability accounts. The total amount required to be collected over the life of the unit to cover decommissioning activities was recorded in these accounts as of the date the nuclear unit was placed in service. The deferred asset account is reduced annually by the amount collected from customers for decommissioning. The deferred liability account is increased each year by the amount collected from customers to cover disposal of irradiated nuclear fuel consumed during the year and by interest, compounded annually, on the accumulated amounts collected. Interest is calculated at the Commission's long-term borrowing rate and is charged to income annually.

In view of potential developments in the technology of decommissioning and irradiated fuel management, and because of the various assumptions and estimates inherent in the calculations, the Commission intends to review such calculations periodically, making adjustments as necessary on a prospective basis.

2. Fixed assets

	1986	1985
Land, buildings, plant and equipment, at cost		
Power generating stations	**$2,206,165,921**	$2,200,308,479
Transmission system	**159,023,888**	152,961,274
Substations	**195,784,856**	183,230,878
Distribution system	**290,079,737**	269,407,464
Other properties	**28,198,042**	25,925,236
Communications equipment	**6,635,350**	4,398,565
Motor vehicles and miscellaneous equipment	**28,289,808**	28,052,308
	2,914,177,602	2,864,284,204
Less contributions in aid of construction	**13,113,290**	12,035,639
Government grants – Mactaquac and HVDC facility	**22,500,000**	22,500,000
	35,613,290	34,535,639
	2,878,564,312	2,829,748,565
Less accumulated depreciation	**550,568,272**	484,942,575
	2,327,996,040	2,344,805,990
Construction-in-progress	**24,682,358**	28,091,456
	$2,352,678,398	$2,372,897,446

3. Accounting change

Cycle billing revenue

In order to more effectively match its annual revenues with related costs and to conform with currently accepted accounting practice in the utility industry, the Commission, effective 1 April 1985, changed its method of recording revenue to include monthly estimates of power consumed from the date of the last meter reading to the end of the month. Prior to this date, revenue included only amounts billed. In the Commission's opinion, retroactive application of this accounting policy change is not appropriate since it would not reflect the prevailing circumstances when power rates were set.

The effect of this accounting policy change on the financial statements for the year ended 31 March 1986 can be summarized as follows:

Accounts receivable have been increased by $21,326,126, representing the estimated unbilled revenue at 31 March 1986.

The balance of earnings invested in the business at 1 April 1985 has been increased by $19,514,067, representing the estimated unbilled revenue as at that date.

Revenue and net income for the year ended 31 March 1986 have been increased by $1,812,059.

4. Unrealized foreign exchange differences, less amounts amortized

	1986	1985
		(Restated)
Exchange adjustment at balance sheet date on debentures and notes issued by the Commission		
Payable in Swiss francs	**$ 55,859,443**	$ 10,681,229
Payable in United States dollars	**264,343,362**	243,034,698
Exchange premium on assets denominated in foreign currencies held in sinking funds maintained by the Province of New Brunswick	**(26,853,500)**	(22,658,041)
Exchange premium on assets held in the insurance fund	**(148,108)**	(231,429)
	293,201,197	230,826,457
Less accumulated amortization	**75,882,646**	49,497,014
	$ 217,318,551	$ 181,329,443

As a result of a misinterpretation of information received from the Trustee with respect to sinking fund assets denominated in foreign currencies, the methodology followed to estimate the amounts on which unrealized foreign exchange is amortized to the income statement led to an overstatement of these amounts on the balance sheet. This resulted in the "unrealized foreign exchange differences" and the "long-term debt" (Note 6) being understated by $20,961,715 as at 31 March 1985. The balance sheet and related notes to financial statements have been restated to the correct interpretation. There is no material mis-statement to the amount of amortization of unrealized foreign exchange differences as shown in the statements of income and changes in financial position for the year ended 31 March 1985.

5. Economy Sales Stabilization Account

	1986	1985
Balance at beginning of year	**$ (6,204,545)**	$ (27,370,000)
Excess of forecast over actual earnings from economy sales for year	**2,529,458**	6,270,000
Amount amortized	**5,586,737**	14,895,455
	8,116,195	21,165,455
Balance at end of year	**$ 1,911,650**	$ (6,204,545)

6. Long-term debt

Debentures and notes issued by the Commission

Date of maturity	*Interest rate %*	**1986**	1985
Payable in Canadian dollars			
1985 15 May	13¾	**$ –**	$ 1,883,000
1987 15 March	5½	**2,650,000**	2,650,000
1988 1 November	5½	**2,000,000**	2,000,000
1989 15 October	8½	**228,000**	228,000
1990 10 January	11¼	**50,000,000**	50,000,000
1990 15 May	13¾	**73,117,000**	73,117,000
1990 1 August	9	**293,000**	293,000
1991 1 July	5¾	**5,000,000**	5,000,000
1992 15 March	5½	**7,350,000**	7,350,000
1993 8 February	11¾	**100,000,000**	100,000,000
1993 1 November	5½	**6,000,000**	6,000,000
1994 15 June	5½	**10,000,000**	10,000,000
1994 31 December	5½	**3,790,000**	3,790,000
1995 1 May	6¼	**15,000,000**	15,000,000
1995 15 May	10⅜	**20,000,000**	20,000,000
1995 15 October	5¾	**7,500,000**	7,500,000
1996 1 January	6	**13,800,000**	13,800,000
1996 1 March	6	**4,000,000**	4,000,000
1996 1 October	6½	**6,100,000**	6,100,000
1996 15 November	7⅞	**20,000,000**	20,000,000
1997 15 October	8⅜	**20,000,000**	20,000,000
1998 15 November	8½	**25,000,000**	25,000,000
1999 1 October	11	**24,674,000**	24,674,000
1999 31 December	5½	**8,210,000**	8,210,000
2000 1 March	10	**50,000,000**	50,000,000
2000 25 August	11⅞	**35,000,000**	35,000,000
2003 21 December	10¼	**75,000,000**	75,000,000
2004 1 November	13¼	**100,000,000**	100,000,000
2005 10 January	11¼	**50,000,000**	50,000,000
2005 1 May	12½	**75,000,000**	–
		809,712,000	736,595,000
Payable in Swiss francs			
1985 20 April	4¼	**–**	60,815,000
1991 28 September (SFr76,000,000)	6	**29,761,600**	29,761,600
1992 30 August (SFr73,770,000)	5¾	**33,203,877**	33,203,877
1993 30 March (SFr80,000,000)	3¾	**45,690,400**	48,546,050
Canadian dollars at date of issue		**108,655,877**	172,326,527
Exchange adjustment at balance sheet date		**55,859,443**	10,681,229
		164,515,320	183,007,756

Date of maturity	*Interest rate %*		**1986**		1985 (Restated) (Note 4)
Payable in United States dollars					
1986 2 January	5¼	**US$**	**–**	US$	1,082,000
1986 1 November	5¼		**443,000**		865,000
1987 1 September	5¼		**1,216,000**		1,778,000
1988 1 October	17		**60,000,000**		60,000,000
1989 1 March	16¼		**75,000,000**		75,000,000
1990 15 April	5		**6,522,000**		7,300,000
1991 1 May	5½		**7,890,000**		8,593,000
1991 1 May	15		**100,000,000**		100,000,000
1991 15 November	6		**17,500,000**		17,500,000
1992 15 October	6½		**15,000,000**		15,000,000
1993 15 February	6⅞		**15,000,000**		15,000,000
1994 1 February	7¾		**10,000,000**		10,000,000
1994 1 March	9¾		**52,900,000**		55,900,000
1995 1 October	10½		**75,000,000**		75,000,000
1997 15 February	9		**75,000,000**		81,250,000
1998 1 April	7⅞		**33,975,000**		35,550,000
2001 1 May	9⅜		**100,000,000**		100,000,000
2004 1 April	8¾		**50,000,000**		50,000,000
2005 15 January	10		**75,000,000**		75,000,000
2007 1 August	8¾		**75,000,000**		75,000,000
United States dollars			**845,446,000**		859,818,000
Exchange premium at date of issue		**CDN$**	**71,552,334**	CDN$	72,518,508
Exchange adjustment at balance sheet date			**264,343,362**		243,034,698
			1,181,341,696		1,175,371,206
			2,155,569,016		2,094,973,962
Less sinking fund assets held in trust by the Province of New Brunswick					
Book value			**291,224,072**		231,024,013
Exchange premium on assets denominated in foreign currencies			**26,853,500**		22,658,041
			318,077,572		253,682,054
			$1,837,491,444		$1,841,291,908

Atomic Energy of Canada Limited		
Note payable in 25 equal annual instalments of principal and interest at 9.7064% per annum to the year 2008	**$342,200,680**	$346,280,839
Northern Canada Power Commission		
Loans repayable in annual instalments of principal and interest at rates varying from 4½% to 8½% per annum to the year 2011	**$ 43,708,603**	$ 45,438,165
Other long-term debt		
City of Campbellton — in respect of the purchase of distribution system; payable, together with interest at 9¼% per annum, in equal annual instalments to the year 1993	**$ 848,131**	$ 931,888
Government of Canada — in respect of the construction of a transmission line from Coleson Cove to Salisbury; payable, together with interest at rates varying from 9¼% to 9⅝% per annum, in equal annual instalments of principal and interest to the year 2011	**6,195,570**	6,259,044
	$ 7,043,701	$ 7,190,932

Obligation under capital lease
During the fiscal year ended 31 March 1986, the Commission exercised its option to purchase at original cost its head office building, previously under capital lease.

Long-term debt payments
Long-term debt maturities (after deducting sinking funds estimated to be available at maturity inclusive of actual earnings to 31 March 1986 and future earnings calculated at 8%) and sinking fund requirements in respect of debt outstanding at 31 March 1986, are as follows for the five years ending 31 March 1991, using exchange rates in effect at 31 March 1986 for debt denominated in foreign currencies:

Year ending 31 March 1987	$ 63,400,000
Year ending 31 March 1988	65,200,000
Year ending 31 March 1989	252,300,000
Year ending 31 March 1990	105,800,000
Year ending 31 March 1991	137,500,000

Sinking funds
The Minister of Finance of the Province of New Brunswick, as Trustee for the Commission, maintains a sinking fund for all debenture issues requiring same. Sinking fund earnings are reflected in the Commission's income. Commission debentures held in the fund are not cancelled until maturity.

7. Short-term indebtedness

Short-term borrowings from banks are payable on demand and are reflected on the balance sheet, together with outstanding cheques, under the caption "Short-term indebtedness". The Commission has bank lines of credit, guaranteed by the Province of New Brunswick, for short-term borrowings totalling $130,000,000. The Commission also borrows funds for temporary purposes from other sources from time to time including the Province of New Brunswick. The total of short-term borrowings was $662,174 at 31 March 1986 (1985 — $975,000).

8. Irradiated fuel management and nuclear unit decommissioning

	1986	1985
Balance at beginning of year	**$86,996,886**	$79,460,930
Adjustment to deferred liability for cost of decommissioning	**(8,142,000)**	–
Amounts collected from customers to cover cost of disposal of nuclear fuel consumed during the year	**5,717,707**	5,761,714
Interest	**2,931,233**	1,774,242
Balance at end of year	**$87,503,826**	$86,996,886

During the fiscal year ended 31 March 1986, the Commission carried out a periodic review of the calculations relating to irradiated fuel management and nuclear unit decommissioning, as described in Note 1.h. The review resulted in an adjustment to the deferred liability for cost of decommissioning, as shown above, and adjustments to the rate at which collections from customers to cover disposal of irradiated nuclear fuel consumed during the year is calculated.

Charges for irradiated fuel management and nuclear unit decommissioning, including interest, are brought into the calculation of revenue requirements each year and collected from in-province and interconnected customers through sales of power. The total amount so collected is represented by the net of the liability account and the deferred asset account for nuclear unit decommissioning. This amount is currently being utilized by the Commission as a source of funds.

	1986	1985
Deferred liability account for irradiated fuel management and nuclear unit decommissioning	**$87,503,826**	$86,996,886
Less deferred asset account for nuclear unit decommissioning	**57,816,636**	68,100,000
Cumulative amount collected from customers	**$29,687,190**	$18,896,886

9. Reserves

	1986	1985
Generation equalization	**$229,400,974**	$209,709,974
Insurance	**7,500,000**	7,500,000
	$236,900,974	$217,209,974

Generation equalization reserve
In addition to the annual adjustment to generation cost described in Note 1.g., the Commission, as it deems advisable, increases the generation equalization reserve by appropriations from earnings invested in the business. Total appropriations to the reserve amounted to $135,000,000 at 31 March 1986 (1985 – $125,000,000). Appropriations are made to ensure that the reserve is sufficient to cover the cost of replacement power in the event of unfavourable water flow conditions and nuclear operating performance for an extended period.

Insurance reserve
This reserve has been established by appropriations from earnings invested in the business and serves as a self-insurance fund to complement the insurance coverage maintained with insurance companies.

10. Sales of power

Sales of power include $316,669,779 (1985 – $297,533,080) to utilities in the United States. The price of these sales includes incremental fuel and operating costs plus a margin of net benefit to the Commission.

11. Capital commitments

The Commission's capital budget for the fiscal year ending 31 March 1987 amounts to $125,624,000, which includes previously budgeted items amounting to $35,300,000.

12. Contingent liability

The Commission, to be assured of an adequate supply of coal, has guaranteed payments of N. B. Coal Limited, a corporation controlled and owned by the Crown in right of the Province, under a loan obligation and lease agreement for the acquisition of a dragline for use in mining coal. The maximum potential exposure over the 14-year remaining life of the lease is $29,730,000. In exchange for its guarantee, the Commission is entitled to the total coal production at cost and to an assignment of the dragline and associated mining rights should N. B. Coal Limited default under any terms of the lease agreement. During the fiscal year ended 31 March 1986, total coal purchases from N. B. Coal Limited amounted to $35,153,849 (1985 – $30,591,007). At 31 March 1986, the Commission owed N. B. Coal Limited $2,801,617 (1985 – $2,327,566) with respect to current shipments.

13. Subsequent events

In April 1986, the Commission acquired 90% of the outstanding share capital of N. B. Coal Limited for a nominal consideration.

On 10 June 1986, the Commission issued U.S. $55,000,000 of 7¾% debentures maturing on 10 June 1994 for the purpose of refinancing its issue of U.S. $52,900,000 of 9¾% debentures originally to mature on 1 March 1994.

Auditors' Report

Touche Ross & Co.
Chartered Accountants

The Honourable Richard B. Hatfield,
Premier of the Province of New Brunswick,
Fredericton, New Brunswick.

Sir:

We have examined the balance sheet of The New Brunswick Electric Power Commission as at 31 March 1986 and the related statements of income, earnings invested in the business, and changes in cash position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at 31 March 1986 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, except for the change, with which we concur, in the method of accounting for cycle billing revenue, as described in Note 3 to the financial statements, on a basis consistent with that of the preceding year.

Touche Ross & Co.

Chartered Accountants

Fredericton, N.B.
June 23, 1986.

CARLETON PLACE – 520 KING STREET – SUITE 860 – FREDERICTON, NEW BRUNSWICK E3B 6G3
TELEPHONE (506) 458-8105

Statement of Operations and Sales Per Person

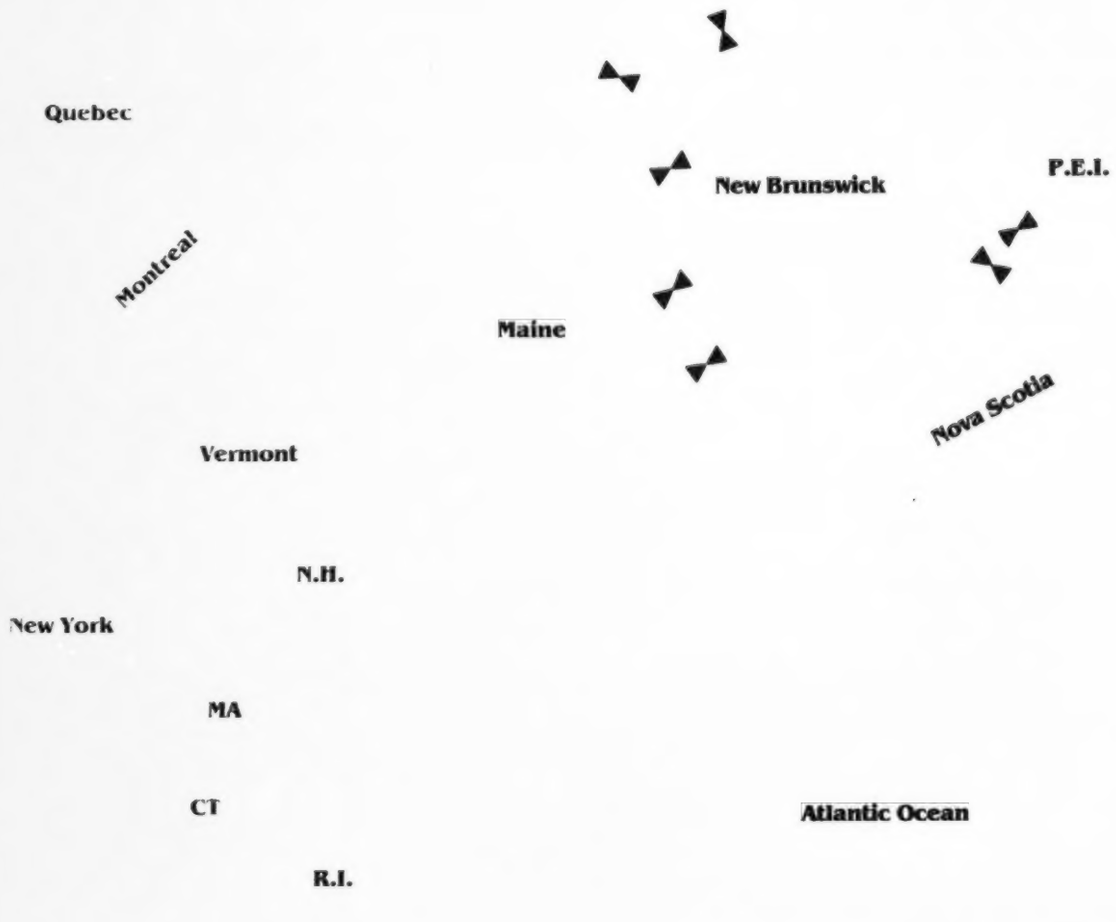
Statement of Generation and Sales *For Fiscal Year Ended 31 March 1986*

	1986 Kilowatt Hours	1985 Kilowatt Hours	Difference Kilowatt Hours	% + –
Generation				
Hydro	2 333 294 400	2 638 410 700	– 305 206 300	– 11.6
Thermal	3 068 330 000*	3 765 477 000*	– 677 147 000	– 18.0
Nuclear	5 764 937 000	5 354 641 000	+ 410 296 000	+ 7.7
Diesel	75 800	32 700	+ 43 100	+ 131.8
Purchases	7 061 [illegible] 400	5 009 654 900	+ 2 043 276 500	+ 40.8
Gross Generation and Purchases	18 236 478 600	16 767 216 300	+ 1 471 262 300	+ 8.8
Station Service	758 276 400	770 156 400	– 14 880 000	– 1.9
Net Generation and Purchases	17 483 202 200	15 997 059 900	+ 1 486 142 300	+ 9.3
Losses — Transformer and Transmission	615 022 548	623 697 644	– 8 675 096	– 1.4
Losses % of Net Generation and Purchases	3.5%	3.9%		
Total Energy Distribution	16 868 179 652	15 373 362 256	+ 1 494 817 396	+ 9.7
* (P.E.I. Portion of Dalhousie #2 Not Included)				
Sales				
Wholesale	846 350 348	784 073 518	+ 62 276 827	+ 7.9
Industrial Power	4 087 941 171	4 278 219 656	– 190 278 485	– 4.4
General Service	1 351 881 226	1 282 741 407	+ 69 109 819	+ 5.4
Residential	2 981 291 891	2 712 798 310	+ 268 493 581	+ 9.9
Average Annual kW.h per Residential Customer	13 334	12 396		
Street Lights	56 197 886	54 753 549	+ 1 444 316	+ 2.6
Total In-Province Sales	9 323 632 496	9 112 586 440	+ 211 046 056	+ 2.3
Interconnections	7 250 525 000	5 994 218 000	+ 1 236 307 000	+ 20.6
Grand Total	16 884 157 496	15 106 804 440	+ 1 447 353 056	+ 9.6
Station and Internal Use	758 696 626	770 522 059	– 14 826 033	– 1.9
Total Losses	928 625 076	889 889 801	+ 38 735 275	+ 4.4
Gross Generation and Purchases	18 236 478 600	16 767 216 300	+ 1 471 262 300	+ 8.8

Statement of Operating and Physical Statistics

	31 March 1986	31 March 1985	31 March 1984	31 March 1983	31 March 1982
Plant Nameplate Capacity – kW	3 189 976	3 189 976	3 136 576	3 136 576	2 506 576
Gross Generation – Purchases kW.h	18 236 478 600	16 767 216 300	16 299 213 045	12 161 686 535	12 288 083 650
Total Energy Distributed – kW.h	16 868 179 652	15 373 362 256	14 878 818 986	10 995 271 349	11 210 412 580
Total Revenue	$ 894 349 683	$ 834 207 263	$ 768 678 286	$ 545 636 447	$ 514 640 146 *
Total Expenditures and Appropriations	$ 880 421 689	$ 828 600 337	$ 767 725 791	$ 534 257 771	$ 502 166 714
Fixed Assets, Including Work in Progress	$2 905 266 670	$2 857 840 021	$2 774 479 060	$2 705 614 539	$2 511 221 676
Current Assets	$ 212 107 630	$ 190 109 633	$ 177 891 920	$ 161 419 544	$ 273 381 451
Current Liabilities	$ 255 382 964	$ 308 998 965	$ 283 747 745	$ 190 535 732	$ 221 093 012
Inventories	$ 67 089 700	$ 78 457 920	$ 64 455 755	$ 68 584 572	$ 33 621 120
Long Term Debt – Net	$2 162 631 985	$2 127 953 404**	$2 123 004 783**	$2 224 434 080**	$2 190 984 432
Sinking Fund Assets	$ 318 077 572	$ 253 682 054**	$ 191 820 714**	$ 147 548 192**	$ 122 889 965
Accumulated Depreciation	$ 550 868 272	$ 484 942 575	$ 415 100 166	$ 346 407 214	$ 303 841 039
Other Reserves and Earnings Retained in The Business	$ 364 913 841	$ 311 780 781	$ 274 414 855	$ 239 461 621	$ 214 510 701
Reserves, Earnings Retained in The Business and Accumulated Depreciation	$ 915 482 113	$ 796 725 356	$ 689 515 021	$ 585 868 835	$ 518 351 740
Total Reserves, Earnings Retained in The Business As Percentage of Fixed Assets	31.5%	27.9%	24.9%	21.7%	20.6%
Kilometres Transmission Lines	6 198	6 035	5 805	5 721	5 714
Kilometres Distribution Circuits	23 701	23 255	22 986	22 236	21 718
Number Residential Customers	225 579	218 837	214 478	209 751	206 410
Number Industrial Customers	1 840	1 478	1 450	1 413	1 373
Number General Service Customers	18 756	18 283	17 804	17 506	17 268
Number Street Light Customers	3 234	2 199	2 146	2 099	2 079
Direct Customers	249 189	240 797	236 877	230 749	227 130
Indirect Customers	39 189	37 641	37 644	37 136	37 153
Total Customers	288 278	278 438	273 521	267 885	264 283

* Includes extraordinary item ** Restated



Generating Station Data

	No. of Units	Nameplate CapacitykW
Hydro		
Mactaquac	6	653 400
Beechwood	3	115 000
Grand Falls	4	63 000
Tobique	2	20 000
Sisson	1	10 000
Milltown	7	3 900
Total Hydro	23	865 300
Nuclear		
Point Lepreau	1	630 000
Total Nuclear	1	630 000
Oil/Coal		
Coleson Cove (Oil)	3	1 005 000
Courtenay Bay (Oil)	4	263 365
Dalhousie (Oil/Coal)	2	280 000
Grand Lake 2 (Coal)	4	85 000
Chatham (Coal/Oil)	2	32 500
Total Oil/Coal	15	1 665 865
Gas Turbine		
Moncton	1	25 000
Total Gas Turbine	1	25 000
Diesel		
Grand Manan	5	3 811
Total Diesel	5	3 811
Grand Total	45	3 189 976

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1985 Performance by Large Nuclear Reactors

Rank	Country	Unit	Capacity Factor %
1	Japan	Hamaoka-1	99.0
2	**Canada**	**Pt. Lepreau**	**97.4**
3	West Germany	Grohnde A-1	96.0
4	Canada	Bruce-1	94.9
5	South Korea	Knu-3 (Wolsung)	94.3
6	U.S.A.	Salem-1	93.9
7	Canada	Pickering-7	92.9
8	U.S.A.	Oconee-1	92.8
9	West Germany	Unterweser	92.0
10	West Germany	Grafenrheinfeld	90.8
11	U.S.A.	Nine Mile Point-1	90.8
12	U.S.A.	Haddam Neck	90.3
13	France	Tricastin-3	89.2
14	Canada	Bruce-3	88.6
15	Japan	Fukushima II-1	88.1

Source:
Nucleonics Week
January 30, 1986